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LISTING STATEMENT NO. 2345

LISTED FEBRUARY 25, 1969
2,886,260 common shares without par value,
of which 1,011,250 shares are sub-
ject to issuance
Stock Symbol "HFD"
Post Section 6.2
Dial Quotation No. 2015

THE TORONTO STOCK EXCHANGE

file

LISTING STATEMENT

HALIFAX DEVELOPMENTS LIMITED

Incorporated under the Laws of the Province of Nova Scotia
by

Memorandum of Association dated August 19, 1965

CAPITALIZATION AS AT FEBRUARY 7, 1969

SHARE CAPITAL	AUTHORIZED	ISSUED AND OUTSTANDING	TO BE LISTED
Common Shares without par value	4,000,000	1,875,010	2,886,260*
*of which 1,011,250 are subject to issuance.			
FUNDED DEBT			
First Mortgage	2,250,000	2,240,612	Nil
Sundry First Mortgages	171,500	93,340	Nil
General Mortgage —			
Sinking Fund Bonds			
Series A	3,000,000	3,000,000	Nil
Series B	1,000,000	Nil	Nil
Subordinated Income —			
Debentures			
Series B	2,000,000	Nil	Nil
Series C	600,000	600,000	Nil

NOTE: Particulars of the share capital and long-term debt of the Company are shown in detail under the heading "Capitalization", including notes appended hereto, on Page 3 of the Prospectus referred to in paragraph 2 hereof.

1. APPLICATION

Halifax Developments Limited (hereinafter called the "Company") hereby makes application for the listing on The Toronto Stock Exchange of 2,886,260 common shares without par value in the capital stock of the Company, of which 1,875,010 have been issued and are outstanding as fully paid and non-assessable. The remaining 1,011,250 common shares included in this application have been reserved as follows:

Officers stock option at \$1.00 per share expiring March 31, 1973	25,000
Officers stock option at \$2.90 per share expiring October 28, 1973	30,000
Hardman, Bryson & Associates Limited or Bryman Enterprises Limited stock option expiring December 31, 1972	
at \$1.00	45,000
at \$2.50	11,250
For issue upon conversion of \$2,000,000 8% Convertible Subordinated Income Deben- tures, Series B subscribed for and to be issued in 1969	800,000
Subscription Agreement at \$1.00 per share to be taken up and paid for December 31, 1969 with \$1,000,000 First Mortgage Sinking Fund Bonds, Series B	100,000
	<u>1,011,250</u>

2. REFERENCE TO PROSPECTUS

Reference is hereby made to the prospectus issued by the Company under date of December 13, 1968, with respect to the offering of 600,000 common shares of the Company (hereinafter called the "Prospectus"). A copy of the Prospectus is attached hereto and is hereby incorporated into and made part of this application.

3. HISTORY, NATURE OF BUSINESS AND INCORPORATION OF THE COMPANY

A history of the Company, the nature of its business and particulars of its incorporation are outlined on Page 3 of the Prospectus.

4. SHARE ISSUES SINCE INCORPORATION

<u>Date of Issue</u>	<u>No. of Shares Issued</u>	<u>Amount Realized Per Share</u>	<u>Total Amount Realized</u>	<u>Purpose of Issue</u>
August 19, 1965 to July 30, 1968	575,010	\$1.00	\$575,010	To provide part of the cash required for Scotia Square Development.
August 14, 1968	300,000	1.00	300,000	As above and to accompany \$3,000,000 General Mortgage Sinking Fund Bonds Series A.
August, 1968	400,000	1.00	400,000	On conversion of \$1,000,000 Convertible Subordinated Income Debentures, Series A for 400,000 Common Shares and \$600,000 Subordinated Income Debentures Series C.
December 30, 1968	600,000	2.90	1,740,000	To provide part of the cash required for Scotia Square Development.

5. STOCK PROVISIONS AND VOTING POWERS

Each common share carries one vote at all meetings of the shareholders.

6. DIVIDEND RECORD

The Company has not declared or paid any dividends on its shares.

7. PROPERTIES OF COMPANY

Particulars of the property and plans of the Company are outlined on Pages 5, 6, 7 and 8 of the Prospectus.

8. SUBSIDIARY COMPANIES

The Company has one inactive subsidiary which has never owned any property or carried on any business.

9. OPTIONS

- As described on Page 12 of the Prospectus under the heading "Rights to Acquire Common Shares", the Company has granted options on a total of 111,250 of its Common Shares to officers and others.
- There are no issued shares of the Company held for the benefit of the Company.
- 100,000 Common Shares have been subscribed for at the price of \$1.00 per share to accompany the \$1,000,000 principal amount of 8% General Mortgage Sinking Fund Bonds, Series B. Reference is made to paragraph (s) on Page 14 of the Prospectus.
- The \$2,000,000, 8% Convertible Subordinated Income Debenture Series B of the Company, when issued, will be convertible at the rate of 400 Common Shares per \$1,000 principal amount up until May 16, 1978 and thereafter and prior to August 16, 1993 at the rate of 285 Common Shares per \$1,000 principal amount. Reference is made to paragraph (r) on Page 14 of the Prospectus.

10. LISTING ON OTHER STOCK EXCHANGES

There are no securities of the Company listed on any other Stock Exchange.

11. STATUS UNDER SECURITIES ACTS

The offer of \$3,000,000, 8% General Mortgage Sinking Fund Bonds, Series A of the Company was qualified for sale to the public by August 14, 1968 in all provinces of Canada. The offer of 600,000 Common Shares without nominal or par value in the capital of the Company referred to in Paragraph 2 hereof and in the Prospectus was qualified for sale to the public by December 30, 1968 in all provinces of Canada.

12. FISCAL YEAR

The fiscal year of the Company ends on December 31st in each year.

A copy of this prospectus has been filed for registration with the Registrar of Joint Stock Companies under the Companies Act of Nova Scotia.

No securities commission or similar authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence.

New Issue

600,000 Common Shares

(without nominal or par value)

Halifax Developments Limited

The 600,000 common shares without nominal or par value offered by this prospectus are authorized but unissued shares being acquired from the Company.

There is at present no public market for the common shares of the Company and the price for this offering was determined by negotiation between the Company and the Underwriters. Reference is made to "Dilution" on page 10 hereof.

This Issue may be considered Speculative

Reference is made to "Risks of the Venture" on page 9 hereof.

Price: \$2.90 per share

	<u>Price to Public</u>	<u>Underwriting Commission</u>	<u>Proceeds to Company</u>
Per Share.....	\$2.90	\$.25	\$2.65
Total.....	\$1,740,000	\$150,000	\$1,590,000

**REGISTRAR AND TRANSFER AGENT
CANADA PERMANENT TRUST COMPANY**

We, as principals, offer these common shares without nominal or par value subject to prior sale and change in price and the approval of all legal matters by Messrs. Stewart, MacKeen and Covert, Halifax, on behalf of the Company, and by Messrs. Lafleur & Brown, Montreal, on our behalf.

Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books without notice. It is expected that definitive share certificates will be available for delivery on or about December 30, 1968.



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The Company

Halifax Developments Limited (herein referred to as the "Company") was incorporated under the laws of the Province of Nova Scotia by Memorandum of Association dated August 19, 1965. By special resolution of shareholders, the Memorandum of Association was amended on May 16, 1968 to increase the authorized share capital to 4,000,000 common shares. The address of the head office and principal office of the Company is 2021 Brunswick Street, Halifax, Nova Scotia.

Operations of the Company

The Company was formed by a group of leading business men of the Province of Nova Scotia to engage in the investment in, development, ownership and management of real estate. Incentives offered by the City of Halifax to attract capital for the redevelopment of Scotia Square, a large area in Central Halifax, prompted this association. Scotia Square, the Company's first undertaking, has been planned as a ten-stage development of which the Trade Mart, Stage I, has been completed and is revenue producing. Stage II, providing retail, storage and parking facilities and Stage III, an office building, are under construction. The subsequent Stages are described under the heading "Proposed Future Development" found on page 7 of this prospectus. Management envisions further commercial and residential developments particularly in the Halifax area.

The Company has a wholly-owned subsidiary, Scotia Square Property Limited, incorporated under the laws of the Province of Nova Scotia by Memorandum of Association dated July 13, 1968. This subsidiary has not yet commenced to carry on business and accordingly is inactive.

Capitalization

The capitalization of the Company, including commitments for first mortgage bonds, after giving effect to the issue and sale of securities offered by this prospectus, will be as follows:

	Rate	Authorized	Outstanding September 30, 1968	Outstanding October 15, 1968	To be Outstanding upon completion of this financing
First Mortgage (1).....	8½%	\$2,250,000	\$2,245,338	\$2,242,983	\$2,240,612
Sundry First Mortgages.....	—	171,500	98,795	96,068	93,340
First Mortgage Bonds (2)....	—	—	—	—	—
General Mortgage					
Sinking Fund Bonds (3),					
Series A.....	8%	3,000,000	3,000,000	3,000,000	3,000,000
Series B.....	8%	1,000,000	—	—	—
Subordinated Income					
Debentures (4)					
Series B _A (convertible)....	8%	2,000,000	—	—	—
Series C.....	8%	600,000	600,000	600,000	600,000
Common Shares without					
nominal or par value (5)...		—	1,275,010	1,275,010	3,015,010
		4,000,000 shs	1,275,010 shs	1,275,010 shs	1,875,010 shs

- (1) Montreal Trust Company has advanced \$2,250,000 by way of first mortgage loan maturing July 1, 1993, against the security of Stage 1.
- (2) The Company has entered into an agreement whereby the Company is to have available to it subject to certain conditions as interim financing, the U.S. Dollar equivalent of \$14,000,000 (Canadian) by way of a demand construction loan from a chartered bank secured by first mortgage bonds. The Company also has entered into an agreement with two institutional investors whereby the Company will have available to it subject to certain conditions, as long term financing, up to \$12,000,000 secured by first mortgage bonds. The proceeds from this long term financing will provide a portion of the funds required to retire the said interim financing advanced by the chartered bank.
- (3) \$2,000,000 from the proceeds of issue of the 8% General Mortgage Sinking Fund Bonds, Series A has been deposited in a project fund and will be released to the Company upon fulfilment of certain conditions which in effect are the issue of \$10,000,000 aggregate principal amount of First Mortgage Bonds referred to in paragraph 2 above and paragraph (g) on page 13 hereof, the issue of the 8% General Mortgage Sinking Fund Bonds, Series B and 8% Subordinated Income Debentures, Series B, a rental achievement in respect of Stages I, II and III and the acquisition of title to Stages II and III land. Additional prior ranking indebtedness as well as additional general mortgage bonds may be created or assumed subject to conditions contained in the General Mortgage Bond Trust Deed. 8% General Mortgage Sinking Fund Bonds Series B in the principal amount of

- \$1,000,000 have been authorized and subscribed for and will be issued on or before December 31, 1969 and the proceeds applied in the reduction of the said \$14,000,000 of interim bank financing. Reference is made to paragraph (s) on page 14 hereof.
- (4) 8% Subordinated Income Debentures, Series B in the principal amount of \$2,000,000 have been authorized and subscribed for and will be issued on or before December 31, 1969. Reference is made to paragraph (r) on page 14 hereof.
- (5) 300,000 common shares have been issued and delivered to the trustee for the holders of the 8% General Mortgage Sinking Fund Bonds, Series A to assure fulfillment of the warrants issued therewith. Upon delivery of the 8% General Mortgage Sinking Fund Bonds, Series B, 100,000 common shares will be issued and delivered to the holders thereof. 111,250 common shares have been reserved for issue upon the exercise of the options referred to on page 12 hereof. 800,000 common shares have been reserved for the conversion of the 8% Subordinated Income Debentures, Series B. If all such shares are taken up in full including the 600,000 common shares offered by this prospectus, there will then be issued and outstanding 2,886,260 common shares.
- (6) The Company has a lease agreement with the City of Halifax and a Federal Government Agency providing leases and options to purchase the land on which Scotia Square is to be built. (See Note 2 of "Notes to Financial Statements" appearing on pages 20 and 21 of this prospectus).

Particulars of the agreements, securities and obligations referred to in notes 1, 2, 3, 4 and 5 are to be found on pages 12, 13, 14, 15 and 16 hereof under the heading "Material Contracts."

Projected Capitalization

The Company anticipates that upon completion of Stages I, II and III and excluding any provision for the financing of Stages IV to IX inclusive, the capitalization will be as follows:

	To Be Outstanding
First Mortgage.....	\$ 2,250,000
First Mortgage Bonds.....	12,000,000
Sundry First Mortgages.....	100,000
General Mortgage Bonds,	
Series A.....	3,000,000
Series B.....	1,000,000
Subordinated Income Debentures,	
Series B (convertible).....	2,000,000
Series C.....	600,000
Common Shares without nominal or par value (1).....	1,975,010 shs.

- (1) The 1,975,010 shares comprise, 1,275,010 outstanding prior to the issue covered by this prospectus, 100,000 shares being the common share bonus accompanying the 8% General Mortgage Sinking Fund Bonds, Series B and the 600,000 common shares offered by this prospectus. In addition, there are 911,250 common shares reserved for the conversion of debentures and the exercise of options.

Use of Proceeds

The estimated net proceeds to be derived by the Company from the sale of 600,000 common shares without nominal or par value offered by this prospectus is \$1,590,000, before expenses of issue estimated at \$20,000. The proceeds will be used in reduction of bank loans incurred in the construction of Stages II and III. As of October 15, 1968 bank loans amounted to \$1,760,000 (U.S.).

Plan of Distribution

Under an agreement dated December 10, 1968 between the Company and Royal Securities Corporation Limited, Richardson Securities of Canada and Burns Bros. and Denton Limited, on their own behalf as underwriters, the Company has agreed to sell and the underwriters severally have agreed to buy 600,000 common shares without nominal or par value (herein sometimes referred to as "common shares") offered by this prospectus for an aggregate consideration of \$1,740,000 less a commission of \$150,000, payable in cash against delivery of certificates representing the said common shares in definitive form on or about December 30, 1968 upon and subject to the terms and conditions set out in the underwriting agreement and in compliance with the necessary legal requirements. The underwriting agreement provides that the obligations of the underwriters are subject to certain conditions and that the underwriters are obliged to take up and pay for all common shares offered by this prospectus if any of the common shares are purchased under the underwriting agreement.

Halifax

Halifax, the capital city of Nova Scotia, is the centre of a metropolitan area having a population in excess of 198,000 and the centre of a trading area with a population of approximately 250,000. In 1966 retail sales in Metropolitan Halifax were approximately \$266,300,000, being 22% above the national per

capita average and making Halifax the largest retail market in the Atlantic Provinces. Income per capita, in metropolitan Halifax, is 4% above the national average while the population growth is at the rate of approximately 15% in each decade.

The City is situated on one of the finest deep-water ports of the world and ranks third among Canadian ports in tonnage of shipments. It is the largest ice-free seaport in Eastern Canada and is the location of Canada's largest naval base. Metropolitan Halifax has five universities and is the major medical centre of the Atlantic Region.

Its secondary industries include oil refining, building and repair of steel ships, brewing, fish processing, automobile assembly, aircraft repairs, food processing, the manufacture of radar and electronic equipment, construction materials, asbestos products, confectionery and containers. It is a leading transportation centre for air, sea and rail.

The City of Dartmouth, which is part of the Metropolitan Halifax area, has a population of approximately 58,000. It lies across the harbour from the City of Halifax and the two cities are connected by the Angus L. Macdonald suspension bridge and an inter-city ferry service. A second harbour bridge is under construction to meet the growing demand for inter-city transportation.

Scotia Square

Scotia Square is a project initiated by a Federal Government Agency, the City of Halifax and the Province of Nova Scotia for the purpose of redeveloping a central area of the City into modern commercial and residential buildings. The Municipality, the Province and the Federal Government Agency commenced the project by undertaking and bearing the cost of acquisition and clearing of the land necessary for the project. Scotia Square will adjoin the existing central business district and envisages a vital new urban centre for the City of Halifax to be augmented by a planned system of roads and expressways.

The Company, in May 1966, was the successful tenderer for this re-development. The nineteen acre site is bounded by Barrington Street on the east, Brunswick Street on the west, Duke Street on the south and by Procter Street on the north. Scotia Square will be linked with Harbour Drive, a new proposed limited access expressway connecting downtown Halifax with Dartmouth and other areas on the eastern side of the harbour.

The land encompassing Scotia Square is being made available to the Company for the purposes of the development under an agreement providing leases containing purchase options. Details of this agreement are set forth in Note 2 to the financial statements on page 21 hereof. It is the intention of the Company to exercise its purchase options and to acquire title to the land as the project proceeds. Zoning for the land encompassing Scotia Square has been approved by the City of Halifax and the plans for the construction of Stages I, II and III, have been approved by the City of Halifax and the Federal Government Agency. Plans for construction of further Stages will be submitted for approval prior to the commencement of construction of each stage.

The Scotia Square project consists of ten stages of construction.

Stages I, II and III

Stage I—Trade Mart

Stage I, a Trade Mart, stands on a parcel of land measuring approximately 124,000 square feet, on the northern portion of the site, east of Brunswick and north of Cogswell Streets. The Trade Mart is of reinforced concrete construction and contains 220,902 square feet of rentable area with three lower floors of warehouse space, all having ground level access, and a top floor of office and showroom space surrounding a central exhibition hall. Construction of the Trade Mart has been completed and the building was opened and operating on May 1, 1968.

Stage II—Retail and Parking: Stage III—Duke Street Office Building

Stage II, a terraced structure of four to six storeys with parking, retail and storage space will stand on the Company's largest parcel of land, measuring 383,800 square feet, bounded by Barrington Street on the east, Duke Street on the south, Market Street on the west and by the proposed extension of

Cogswell Street on the north. In addition to providing rentable areas Stage II will serve as the foundation for four towers including two office towers, a hotel and an apartment building. The first of these towers, the Duke Street office building, has been designated Stage III.

The two level shopping mall will be the centre of the development. The malls will have direct access from Duke and Barrington Streets and from the apartment and office towers above. Traffic between the shopping levels will be by escalators. Elevators will connect with the office towers and parking garage. The mall will be air-conditioned and heated to provide all weather use. The decor will be in keeping with other first class enclosed mall developments in North America.

Ample parking facilities will be provided to service retail and office areas. The Trade Mart will be connected with the parking areas by an overhead corridor to be constructed above Cogswell Street. The garage will be of the open side unheated type and will provide parking for at least 1,300 cars with provision for future expansion to accommodate an additional 300 cars. The accommodation provided is intended to serve the needs of Scotia Square and also to meet a demand for parking in downtown Halifax.

The Duke Street office tower, facing the Halifax City Hall, will be one of the largest commercial office towers in the Atlantic Provinces. This tower will rise twelve floors above the base and will be of modern, up-to-date design.

Stages II and III are scheduled for completion respectively on October 1, 1969 and December 31, 1969.

Summary of Stages II and III

	Approximate Area
(a) Retail shopping areas in shopping malls on two levels, including a 700/750 seat theatre, department store, junior department store, supermarket, bank and other facilities with rentable area of	312,192 sq. ft.
(b) Storage space for office and retail tenants	48,686 " "
(c) Garage for a minimum of 1,300 cars of	489,859 " "
(d) Auto service area	17,973 " "
(e) An office building on Duke Street, having rentable space of 108,760 sq. ft. plus various areas on the lower levels (adjacent to the retail areas) of 99,234 sq. ft. rentable, making a total of	207,994 " "
Total rentable area	<u>1,076,704 " "</u>

Summary of Stages I, II and III Leasing.

Stage I

As of October 23, 1968, the Company had obtained firm leases with terms of five years or over from the following:

<u>Tenant</u>	<u>Type of Business</u>	<u>Area (Square Feet)</u>	<u>Term (Years)</u>
Office			
Acadian Wholesalers Limited.....	wholesaler	1,386	6
Armstrong Cork Canada Limited.....	floor covering	456	5
J. L. Boosamra, acting under name of Boosamra Agencies.....	wholesale agency	576	5
Canadian National Railway Company.....	telecommunications	6,055	20
Cooke Sales Limited.....	wholesale agency	864	5
R. L. Crain Limited.....	business forms	1,008	5
Halifax Developments Limited.....	real estate	1,760	5
International Business Machines Company Limited.....	business machines	2,448	5
George A. Melitides.....	coffee shop	1,152	10
Chartered Bank.....	bank	1,152	20
R. G. Miles, acting under name of Miles Agencies.....	wholesale agency	864	5
Jack Miller Designs Limited.....	interior designer	1,335	5
The Miner Company Ltd.....	manufacturer	1,152	5
Norman Wade Company Limited.....	engineering supplies	828	5
Province of Nova Scotia.....	education dept.	22,115	5
Seaman-Cross Limited.....	office furniture	5,422	10
Shell (Canada) Limited.....	petroleum	1,395	5

<u>Tenant</u>	<u>Type of Business</u>	<u>Area (Square Feet)</u>	<u>Term (Years)</u>
Storage			
Acadia Sign Shop Limited.....	sign painter	1,402	5
Acadian Wholesalers Limited.....	wholesaler	16,598	6
Allen Print Limited.....	printing	3,072	5
Allied Maintenance Services Limited.....	janitorial	937	5
American General Supply of Canada Limited.....	electronics	4,040	5
Barber-Ellis of Canada Limited.....	stationery	3,216	5
Canadian National Railway Company.....	telecommunications	2,164	20
Continental Manufacturers Ltd.....	hotel supplies	8,558	10
Fairbanks Morse (Canada) Limited.....	heavy machinery	2,071	5
Grimsby Group Canada Limited.....	fishing supplies	6,382	10
Grimsby Group Canada Limited.....	fishing supplies	1,340	10
International Business Machines Company Limited.....	business machines	1,536	5
Maritime Beauty Supply Company Limited.....	cosmetics	1,248	5
G. Monstad Ltd.....	agency	714	5
Norman Wade Company Limited.....	engineering supplies	1,176	5
Province of Nova Scotia.....	library dept.	17,342	5
Seaman-Cross Limited.....	office furniture	11,964	10
Simpson Sears Limited.....	mail order	31,915	5
Wendy's Reliable Limited.....	cabaret	5,506	5
Total Leased.....		171,149	

The above leases for 171,149 square feet and an additional 6,889 square feet covered by letters of commitment or leases for terms under five years will yield an annual rental of \$443,789 which includes assessments for air conditioning, common area and heat. All tenants pay for electricity and daily cleaning in addition to the above rental. In addition to the above space, 2,708 square feet have been leased on a monthly basis. Exhibition, display and reception space totalling 10,800 square feet is leased on a daily or weekly basis. Parking on the surrounding site will produce approximately \$18,800 in additional revenue. There remains 29,356 square feet vacant.

Stages II and III

The Company has negotiated letters of intent for the lease of the following space in Stages II and III which are expected to provide annual rental revenue of \$1,343,519 of which \$300,000 is guaranteed parking revenue as referred to in paragraph (v) on page 15 hereof. This rental does not include assessments for common area, heat, janitor services, air conditioning and utilities which retail tenants pay. Most retail tenants will pay a percentage of their sales revenue above a certain level in addition to the above basic rental. All but one tenant of those having signed letters of intent will be subject to a tax escalation clause.

<u>Retail</u>			<u>Office</u>		
<u>Number</u>	<u>Area (Square feet)</u>	<u>Term (Years)</u>	<u>Number</u>	<u>Area (Square feet)</u>	<u>Term (Years)</u>
4	6,170	5—9	3	13,375	5—9
13	23,273	10—19	8	51,493	10—19
5	143,764	20 and over	2	23,752	20 and over

Proposed Future Development

The Company has engaged in preliminary planning for the construction of Stages IV to IX inclusive at an estimated cost of \$15,000,000. The development of each Stage is dependent upon required financing, market potential and construction costs at the time the construction of such Stage is scheduled to commence. The Company proposes to obtain the required financing substantially by first mortgage loans. Stage IV is planned as a 280 room hotel with dining, banquet and convention facilities to accommodate approximately one thousand persons. An interesting feature of the hotel will be a rotating roof-top restaurant and lounge overlooking Halifax Harbour. It is proposed that the superstructure of the hotel building will be ten storeys and will rise above a four storey base structure presently being provided in Stage II. It is the intention of the Company to lease the hotel to a hotel operating company. The commencement of construction of Stage IV is scheduled for the Spring of 1969.

Commencement of construction of an Apartment Building, Stage V, is scheduled for the spring of 1969. It will be located on a parcel of land measuring approximately 38,000 sq. ft. directly west of the Stages II and III development. It will consist of 168 apartments of one and two bedrooms with full parking facilities available. Apartments will overlook the harbour or the Halifax Citadel. Financing of this building is currently being negotiated with a lending institution.

Stage VI, the Barrington Street Office Tower, is a modern office building rising 16 storeys and containing approximately 165,000 square feet of rentable floor area. The Company has received a Letter of Intent for 50,000 square feet of this building and it is expected that construction will start in the summer of 1969. Stage VII, the Cogswell Street Tower, is being designed for apartment occupancy and commencement of construction is scheduled for 1972. These Stages will rise above the base structure presently comprising Stage II.

It is proposed that Stages VIII and IX, two apartment buildings, contain a total of approximately 285 units and be located on Brunswick Street adjoining the Stage V apartment development. Construction is scheduled to commence in 1970 and 1971, as the demand for this additional facility grows. A free site, designated Stage X, lies to the north-west of Scotia Square and is suitable for either apartment dwellings or for commercial use. Its development, not yet decided, will be integrated with Scotia Square.

Capital Cost and Proposed Financing of Stages II and III

The costs, as estimated by the Directors of the Company, (including contingencies and extras of \$1,000,000 and cost of land, preliminary expenses, costs of interim financing, consultants' fees, promotional, leasing, legal and audit expenses) for Stages II and III are \$21,200,000.

The Company and Robert McAlpine Limited have entered into a construction contract dated February 2, 1967 as amended and added to by letter agreements dated July 10, September 5 and October 24, 1968 for the construction of Stages II and III, being the parking, retail and storage space, the foundation for two office towers, an hotel and an apartment building and the first of such towers, the Duke Street Office Building, as described under the heading "Stage II—Retail and Parking; Stage III—Duke Street Office Building" set out on pages 5 and 6 of this prospectus. The said construction contract provides for the payment of a fixed fee to the contractor and payment of the amount of the contractor's estimated cost of construction for the various phases of the work. Under the contract, the Company is not liable to the contractor for costs incurred in excess of such contractor's estimates. It is estimated that the contractor's fixed fee will not exceed \$750,000 and the amount of the contractor's estimated construction costs has now been fixed by the contractor as \$15,124,756 exclusive of extras authorized by the Company. The Company has to date authorized the contractor to incorporate in Stages II and III extras having a total cost of \$673,721. The contractor is not required under the construction contract to provide a performance bond.

Interim financing for the construction of Stages II and III is to be provided by a demand construction loan from a chartered bank. This loan will be repaid in part out of the proceeds from the issue of up to \$12,000,000 aggregate principal amount of First Mortgage Bonds, with the \$2,000,000 released from the project fund for the 8% General Mortgage Sinking Fund Bonds, Series A, from the proceeds of the issue of \$1,000,000 principal amount of 8% General Mortgage Sinking Fund Bonds, Series B, from the proceeds of the issue of \$2,000,000 principal amount of 8% Subordinated Income Debentures, Series B, all as referred to under notes 2 and 3 to heading "Capitalization" on page 3, from the proceeds of this issue and from general operating revenues during the construction period.

In the event that the cost of the construction and development of Stages II and III (not including the cost of land) exceeds \$20,000,000 certain of the directors of the Company or their associates have agreed to provide the funds to pay such excess. Reference is made to clause (u) under the heading "Material Contracts" on page 15 hereof.

Risks of the Venture

The Scotia Square project is a venture which is subject to certain risks and particular consideration should be given to the following matters:

1. INTEREST COVERAGE

Rental revenues of the Company commenced with the opening of the Trade Mart on May 1, 1968. The Company has no significant record of earnings prior to that date. Firm leases have been signed for about 85% of the rentable area of Stage I, the remainder being reserved for specific tenants or vacant. No firm leases have yet been signed pursuant to the letters of intent for Stages II and III rentable areas. There is insufficient revenue from currently existing firm leases to pay all interest. Reference should be made to "Summary of Stages I, II and III Leasing" on page 6 hereof for details of leasing progress.

2. LONG TERM FINANCING

Certain conditions, a required rental achievement in particular, must be met to obtain the long-term financing referred to under the paragraph above entitled "Capital Cost and Proposed Financing of Stages II and III". If these conditions are not met the interim financing cannot effectively be retired.

3. REQUIRED ADDITIONAL FUNDS

Immediate financing has been arranged to the extent of \$17,000,000. In addition to the funds from interim and long term financing which the Company proposes to obtain as referred to under the Heading "Capital Cost and Proposed Financing of Stages II and III", the Company estimates that it must obtain \$2,600,000 from completed properties in order to meet the budgeted costs of \$21,200,000 allocated for the completion of Stages II and III. Any excess of construction and development costs (not including the cost of land) over \$20,000,000 will be made available under agreement by certain of the directors of the Company or their associates.

Details of Convertible Debt

The 8% Convertible Subordinated Income Debentures, Series B (herein sometimes called the "8% Subordinated Income Debentures, Series B") referred to under the Heading "Capitalization" on page 3 will when issued be convertible at the rate of 400 common shares per \$1,000 principal amount up until May 16, 1978 and thereafter and prior to August 16, 1993 at the rate of 285 common shares per \$1,000 principal amount.

Details of the Common Shares

Authorized and Issued Capital

The authorized capital of Halifax Developments Limited consists of 4,000,000 common shares without nominal or par value. The issued common shares of the Company following the completion of this financing will consist of 1,875,010 common shares.

Voting, Liquidation and Other Rights

The common shares are entitled to dividends if, as and when declared by the board of directors, are entitled to one vote per share and are entitled upon liquidation to receive pro rata such property and assets of the Company as are distributable to holders of common shares. The First Mortgage, Sundry First Mortgages, First Mortgage Bonds, General Mortgage Bonds and Subordinated Income Debentures of the Company as referred to under the Heading "Capitalization" on page 3 and the notes thereto all rank ahead of the common shares offered by this prospectus. The common shares have no preemptive or conversion rights. The common shares offered hereby will be fully paid and non-assessable.

Dividend Policy and Restrictions

The payment of dividends by the Company will ultimately be determined by the board of directors on the basis of financial requirements, earnings and other relevant factors. The Trust Deed securing the General Mortgage Bonds provides in effect that no dividends may be paid while any of the 8% General Mortgage Sinking Fund Bonds, Series A and Series B are outstanding if: (i) net tangible assets available for the General Mortgage Bonds would thereby be reduced below twice the principal amount of such Bonds; or (ii) net cash flow for any 12 of the 18 preceding months shall not have been sufficient to service the General Mortgage Bonds and senior secured indebtedness for the next 12 months.

Dilution

Based on the Balance Sheet and Pro Forma Balance Sheet in this Prospectus, the book value and net tangible available assets per common share prior to and after completion of the issue of 600,000 common shares hereunder is set forth in the following table:

	<u>Book Value per Common Share</u>	<u>Net Tangible Available Assets per Common Share</u>
Prior to this Issue.....	\$.99	\$.47
After completion of this Issue.....	1.51	1.16

Accordingly, the Pro Forma Balance Sheet reflects that the Purchasers equity in the 600,000 common shares offered hereby will have, from an accounting point of view, incurred a dilution of \$1.74 per common share.

Management of the Company

Directors and Officers

The names and home addresses in full of the directors and officers of the Company and the positions and offices held by each and their principal occupations during the five preceding years are as follows:

Name and Address	Office	Principal Occupation
HAROLD PALMATARY CONNOR..... 6503 Jubilee Road, Halifax, Nova Scotia.	Director.....	Vice-President, National Sea Products Limited.
WILLIAM BEATTIE HARDMAN..... 86 Deepwood Crescent, Rockingham, Nova Scotia.	Secretary and..... General Manager	President (1966-), Hardman, Bryson & Asso- ciates Limited; President (1965), W. B. Hardman & Associates Limited; Western Canada Real Estate Manager (1964), F. W. Woolworth & Company Limited; Executive Vice-President (1963), Westmount Developments Limited.
ARTHUR RUSSELL HARRINGTON..... 2350 Armcrescent West, Halifax, Nova Scotia.	Vice-President — Finance..... and Director	President and General Manager, Nova Scotia Light and Power Company, Limited.
ROY ADELBERT JODREY..... Hantsport, Nova Scotia.	Director.....	President, Minas Basin Pulp & Power Company Limited.
JOHN HUGH MOWBRAY JONES..... 250 Clarke Avenue, Montreal, Quebec.	Director.....	Retired (1967-); President (1962-1966), Bowaters Canadian Corporation Ltd.
LEONARD ARTHUR KITZ..... 1110 Rockcliffe Street, Halifax, Nova Scotia.	Vice-President and Director....	Senior Partner, Kitz, Matheson & Brown, Barristers & Solicitors.
CHARLES EVERETT MACCULLOCH..... Bedford, Nova Scotia.	President and Director.....	President, MacCulloch & Company Limited; President MacCulloch Leaseholds Limited.

JOHN CRERAR MACKEEN.....	Chairman and Director.....	Chairman of the Board of Directors of Nova Scotia Light & Power Company, Limited
Bilton Cottage, Franklyn Street, Halifax, Nova Scotia.		
MALCOLM HUGH DEES MCALPINE.....	Director.....	President, Robert McAlpine Limited.
80 Park Lane, London, England.		
COL. SIDNEY CULVERWELL OLAND.....	Director.....	Chairman of the Board of Directors, Oland & Son Limited.
930 Young Avenue, Halifax, Nova Scotia.		
FRANK HOYSE SOBEY.....	Director.....	Chairman of the Board of Directors, Sobey Stores Limited.
Stellarton, Nova Scotia.		

Remuneration of Directors and Senior Officers

No direct remuneration has been paid during or is payable in respect of the Company's 1967 fiscal year nor is intended to be paid during or in respect of the Company's 1968 fiscal year to directors or senior officers of the Company. The Company does not have nor does it propose to adopt a pension plan for its directors or senior officers. Mr. W. B. Hardman, an officer of the Company, received as President of Hardman, Bryson & Associates Limited indirect remuneration. Hardman, Bryson & Associates Limited is under contract to provide certain services to the Company as set forth by an agreement referred to on page 12 under "Material Contracts".

Principal Holders of Securities

As of October 28, 1968, no shareholder owned more than 10% of any Class of the Company's shares. The Canada Permanent Trust Company is holding as depository 300,000 shares, representing 23.5% of the outstanding common shares, against surrender of warrants held by holders of the 8% General Mortgage Sinking Fund Bonds, Series A under the Deposit Agreement as referred to in paragraph (y) under the heading "Material Contracts".

The directors and senior officers of the Company, as a group, owned beneficially, directly or indirectly 247,290 (19.4%) of the common shares of the Company as at October 28, 1968 and in addition companies effectively controlled, directly or indirectly by Directors and senior officers of the Company, own beneficially, directly or indirectly, in the aggregate, 642,150 (50.03%) of the common shares of the Company as of that date.

Interests of Management and Founders in Material Transactions

W. B. Hardman, an Officer of the Company, is also President of Hardman, Bryson & Associates Limited and Secretary of Bryman Enterprises Limited and as such, has an interest in the material transactions. Reference is specifically made to the Agreements described in paragraphs (a) and (aa) under the Heading "Material Contracts" on page 12 and 16 of this prospectus.

A number of the Directors of the Company and companies controlled by Directors subscribed for and were issued part of the \$1,000,000 principal amount of 8% Subordinated Income Debentures, Series A as referred to in paragraphs (w) and (x) under the said heading "Material Contracts", all of which have now been converted into the aggregate amount of 400,000 common shares and \$600,000 principal amount of 8% Subordinated Income Debentures, Series C as referred to in Note 5 to the financial statements forming part of this Prospectus.

A number of the Directors of the Company and companies controlled by Directors and W. B. Hardman have subscribed for \$2,000,000 principal amount of 8% Subordinated Income Debentures, Series B as referred to in paragraph (r) under the said heading "Material Contracts".

Companies controlled by Directors of the Company have subscribed for \$950,000 principal amount of 8% General Mortgage Sinking Fund Bonds, Series B and 95,000 common shares as referred to in paragraph (s) under the said heading "Material Contracts".

A. Russell Harrington and Charles E. MacCulloch have options to acquire common shares in the capital stock of the Company as described under the heading "Right to Acquire Common Shares" on this page.

Robert McAlpine Limited has entered into an agreement with the Company described in paragraph (f) under the said heading "Material Contracts". Malcolm H. D. McAlpine, President of Robert McAlpine Limited, is also a director of the Company and as such has an interest in the material transactions.

Right to Acquire Common Shares

Details of option outstanding on the date of this prospectus to purchase common shares are as follows:

<u>Option Holder</u>	<u>Shares Subject to Option</u>	<u>Exercise Price Per Share</u>	<u>Expiry Date</u>
A. Russell Harrington	25,000	\$1.00	March 31, 1973
Hardman, Bryson & Associates Limited	45,000	\$1.00	December 31, 1972
or Bryman Enterprises Limited			
	11,250*	\$2.50	December 31, 1972
Charles E. MacCulloch	30,000	\$2.90	October 28, 1973

*not exercisable prior to January 1, 1972

The market value of the common shares held under option on the date of grant of each option is not reasonably ascertainable. The option price of \$1.00 was fixed using the same subscription price at which all common shares had theretofore been issued. The option price of \$2.50 was fixed on the basis of conversion price at which the 8% Subordinated Income Debentures, Series B can be converted into common shares. The option price of \$2.90 was fixed using the same subscription price at which the 600,000 common shares are offered to the public by this prospectus.

The options granted to Hardman, Bryson & Associates Limited or Bryman Enterprises Limited may not be exercised prior to January 1, 1972 and are subject to cancellation by the Directors of the Company, if the service contract between Hardman, Bryson & Associates Limited and the Company referred to in paragraph (a) under the Heading "Material Contracts" on this page 12 is not in force at the date of exercise of such options. The option was granted to Charles E. MacCulloch by reason of his contribution to the formation and organization of the Company.

Material Contracts

The Company within the two years preceding the date hereof has entered into the following contracts in addition to contracts in the ordinary course of business:

(a) Agreement dated June 15, 1967 between the Company and Hardman, Bryson & Associates Limited whereby the latter agrees to provide certain management services to the Company for a fee of \$60,000 per year plus additions based on certain costs and plus bonuses and by which the Company grants to Hardman, Bryson & Associates Limited or Bryman Enterprises Limited options to purchase a total of 45,000 common shares in the capital stock of the Company at a price of \$1.00 per share;

(b) A lease dated October 15, 1966 between the City of Halifax and a Federal Government Agency of the One Part and the Company of the Other Part by which the City of Halifax and a Federal Government Agency lease to the Company for a term of 99 years the land required for Stage I together with an option to purchase such land for a price of \$334,311 which was exercised on June 20, 1968.

(c) Option agreement dated December 29, 1967 between the Company and A. Russell Harrington by which the Company granted to A. Russell Harrington an option exercisable at any time prior to March 31, 1973 to purchase 25,000 common shares of the Company at the price of \$1.00 per share;

(d) A first mortgage dated June 20, 1968, between the Company and Montreal Trust Company in the principal amount of \$2,250,000 secured on Stage I and by an assignment of Stage I leases;

(e) An agreement dated October 3, 1966, between Carl Koch & Associates, Inc. by which Carl Koch & Associates, Inc. agreed to act for the Company as design review consultants and letter agreement dated July 1, 1968 by which the agreement of October 3, 1966 terminated;

(f) An agreement dated February 2, 1967, between the Company and Robert McAlpine Limited by which Robert McAlpine Limited agreed to act as supervisory general contractor of the Scotia Square development on a fixed cost plus fee basis as amended and added to by letter agreements dated July 10, September 5, and October 24, 1968.

(g) Letter Agreement dated February 5, 1968, between Metropolitan Life Insurance Company and The Equitable Life Assurance Society of the United States of America of the One Part and the Company of the Other Part as amended by letter agreement dated July 22, 1968, providing for the sale of first mortgage bonds by the Company in the maximum principal amount of \$12,000,000 secured by a first charge on Stages II and III, a floating charge on certain chattels and an assignment of Stages II and III leases. These bonds will bear interest at 8% plus $3\frac{1}{4}\%$ of the gross annual rental of Stages II and III which amount shall be not less than \$60,000 nor more than \$110,000 in any one fiscal year.

(h) A Deed of Trust and Mortgage dated as of July 15, 1968, between the Company and Montreal Trust Company, as Trustee, providing for the issue by the Company of \$12,000,000 first mortgage bonds referred to in (g) above;

(i) A Deed of Trust and Mortgage between the Company and Canada Permanent Trust Company as Trustee dated as of May 16, 1968, providing for the issue by the Company of 8% Subordinated Income Debentures, Series A in the principal sum of \$1,000,000 and 8% Subordinated Income Debentures, Series B in the principal sum of \$2,000,000 and 8% Subordinated Income Debentures Series C in the principal sum of \$600,000 as amended by Supplemental Deed of Trust and Mortgage between the same parties dated as of June 17, 1968. These debentures are secured by a fixed charge on all of the real property of the Company and a floating charge on all other property of the Company. The security for these debentures will rank after the security on the property of the Company constituted for the General Mortgage Bonds;

(j) An agreement between the Company and Royal Securities Corporation Limited, Richardson Securities of Canada, Burns Bros. and Denton Limited and Eastern Securities Company Limited, dated June 11, 1968 respecting the sale of 8% General Mortgage Sinking Fund Bonds, Series A and accompanying common shares as amended by letter agreement dated June 20, 1968 between the same parties;

(k) A first leasehold mortgage dated May 1, 1967 in the principal amount of \$1,500,000 between the Company as mortgagor and a chartered bank, as mortgagee, secured on Stage I as confirmed by a mortgage dated August 2, 1967 between the same parties. This mortgage was discharged in full and released on June 27, 1968;

(l) A first leasehold mortgage dated March 18, 1968 in the principal amount of \$500,000 between the Company, as mortgagor and a chartered bank, as mortgagee, secured on Stage I. This mortgage was discharged in full and released on June 27, 1968;

(m) A letter agreement dated May 27, 1968 between the Company and a chartered bank providing for the demand construction loan of \$14,000,000 to the Company to be secured by a pledge of first mortgage bonds and other security as amended by letter agreements dated June 5, 1968 and June 12, 1968 between the same parties;

(n) A Deed of Trust and Mortgage dated as of July 2, 1968 between the Company and Canada Permanent Trust Company providing for the issue of first mortgage bonds limited in aggregate principal amount of \$14,500,000 in lawful money of the United States of America to be pledged as in (m) above and secured by a first mortgage charge on Stages II and III and a floating charge on all other property of the Company;

(o) A deed of Trust and Mortgage dated as of August 1, 1968 between the Company and Canada Permanent Trust Company providing for the issue of General Mortgage Bonds, unlimited in aggregate principal amount to be secured by a fixed mortgage on all of the real property of the Company and a floating charge on all other property of the Company;

(p) A lease dated June 5, 1968 between The City of Halifax and a Federal Government Agency of the One Part and the Company of the Other Part by which the City of Halifax and a Federal Government Agency leased to the Company for a term of 99 years the land required for Stages II and III together with an option to purchase such land for a price of \$1,035,311;

(q) A Deed dated June 20, 1968 from the City of Halifax and a Federal Government Agency, as Grantors and the Company, as Grantee by which the Grantors conveyed to the Company for a consideration of \$334,311 the land required for Stage I;

(r) Letter Agreements by which the Company agrees to sell and subscribers agree to buy in the aggregate \$2,000,000 principal amount of 8% Convertible Subordinated Income Debentures, Series B for an aggregate cash consideration of \$2,000,000. The dates of the Letter Agreements, the names of the subscribers and the principal amount of these Series B Debentures that each has subscribed for is as follows:

<u>Date</u>	<u>Subscriber</u>	<u>Amount Subscribed For</u>
June 28, 1968	Bryman Enterprises Limited	\$ 100,000
June 28, 1968	Leonard A. Kitiz	50,000
June 28, 1968	Robert McAlpine Limited	300,000
June 28, 1968	Bilton Investments Limited	100,000
June 28, 1968	Harold P. Connor	50,000
June 28, 1968	Oland & Son Limited	200,000
June 28, 1968	Empire Company Limited	300,000
June 28, 1968	Scotia Investments Limited	500,000
June 28, 1968	Charles E. MacCulloch	300,000
June 28, 1968	Glencannon Corporation	100,000
		<u>\$2,000,000</u>

(s) Letter Agreements by which the Company agrees to sell and subscribers agree to buy in the aggregate \$1,000,000 principal amount of 8% General Mortgage Sinking Fund Bonds, Series B and 100,000 common shares of the Company for an aggregate cash consideration of \$950,000. The dates of

the Letter Agreements, the names of the subscribers and the percentage of the \$1,000,000 principal amount of these Series B Bonds and 100,000 common shares that each has subscribed for is as follows:

<u>Date</u>	<u>Subscriber</u>	<u>% Subscribed For</u>
June 17, 1968	Empire Company Limited	20%
June 17, 1968	Bilton Investments Limited	20%
June 25, 1968	David Hennigar	5%
June 25, 1968	Hants Investments Limited	20%
June 25, 1968	Scotia Investments Limited	35%
		<u>100%</u>

The Company has agreed to pay Royal Securities Corporation Limited a fee of \$10,000 in connection with this issue at the time of issue;

(t) An Agreement dated July, 1967 between the Company and the Public Service Commission of Halifax by which the Public Service Commission agrees to install a water main and the Company pays \$50,000 with and guarantees to the Commission an annual revenue of 10% of the capital cost of the main.

(u) Agreements dated August 13, 1968, by which each of the following persons of the One Part has agreed with the Company of the Second Part, a Chartered Bank of the Third Part and Canada Permanent Trust Company, as Trustee for the holders of the 8% General Mortgage Sinking Fund Bonds, Series A and Series B of the Fourth Part, to provide the percentage of the funds set opposite his or its name over \$20,000,000 necessary to complete construction and development of Stages II and III:

<u>Parties of the One Part</u>	<u>Percentage</u>
Glencannon Corporation	5%
Robert McAlpine Limited	11.5%
Leonard A. Kitz	6%
Crombie Investment Limited	14.5%
Harold P. Connor	5%
Charles E. MacCulloch	14.5%
Oland & Sons Limited	14.5%
Scotia Investments Limited	14.5%
Bilton Investments Limited	14.5%
	<u>100.0%</u>

(v) Agreements dated August 1968 whereby certain of the Directors of the Company or their associates will agree to guarantee parking revenue. The associates who will agree to guarantee the parking revenues as aforesaid are Bilton Investments Limited, Oland & Son Limited, Robert McAlpine Limited, Scotia Investments Limited, Crombie Investments Limited and Glencannon Corporation, Harold P. Connor, Charles E. MacCulloch, Leonard A. Kitz and Hardman, Bryson & Associates Limited.

(w) Letter Agreements by which the Company agrees to sell and subscribers agree to buy in the aggregate \$934,000 principal amount of 7¼% Unsecured Debentures for an aggregate cash consideration

of \$934,000. The dates of the Letter Agreements, the names of the subscribers and the principal amount of 7¼% Unsecured Debentures that each has subscribed for is as follows:

<u>Date</u>	<u>Subscriber</u>	<u>Amount Subscribed for</u>
August 1, 1967	Leonard A. Kitz	\$ 100,000
August 1, 1967	Bilton Investments Limited	75,000
August 1, 1967	Carlisle Norwood	25,000
August 1, 1967	Keith Hall Investments Limited	50,000
August 1, 1967	Oland & Son Limited	50,000
August 1, 1967	Empire Company Limited	100,000
August 1, 1967	Glencannon Corporation	100,000
August 1, 1967	Robert McAlpine Limited	100,000
August 1, 1967	Scotia Investments Limited	100,000
August 1, 1967	Hants Investments Limited	134,000
August 1, 1967	C. Scott MacCulloch	100,000
		<u>\$ 934,000</u>

On May 16, 1968 the 7¼% Unsecured Debentures were redeemed and surrendered in exchange for \$934,000 principal amount of 8% Subordinated Income Debentures, Series A.

(x) Letter Agreement dated May 16, 1968 whereby Charles E. MacCulloch subscribed for and the Company agreed to sell \$66,000 principal amount of 8% Subordinated Income Debentures, Series A.

(y) A deposit agreement dated as of August 1, 1968 between Canada Permanent Trust Company, Royal Securities Corporation Limited, Richardson Securities of Canada, Burns Bros. and Denton Limited and Eastern Securities Company Limited pursuant to which 300,000 common shares were deposited with Canada Permanent Trust Company as depository for the benefit of the holders of the warrants evidencing the common share bonus accompanying the 8% General Mortgage Sinking Fund Bonds, Series A.

(z) An agreement between the Company and Royal Securities Corporation Limited, Richardson Securities of Canada and Burns Bros. and Denton Limited, dated December 10, 1968 respecting the sale of the 600,000 common shares offered by this prospectus.

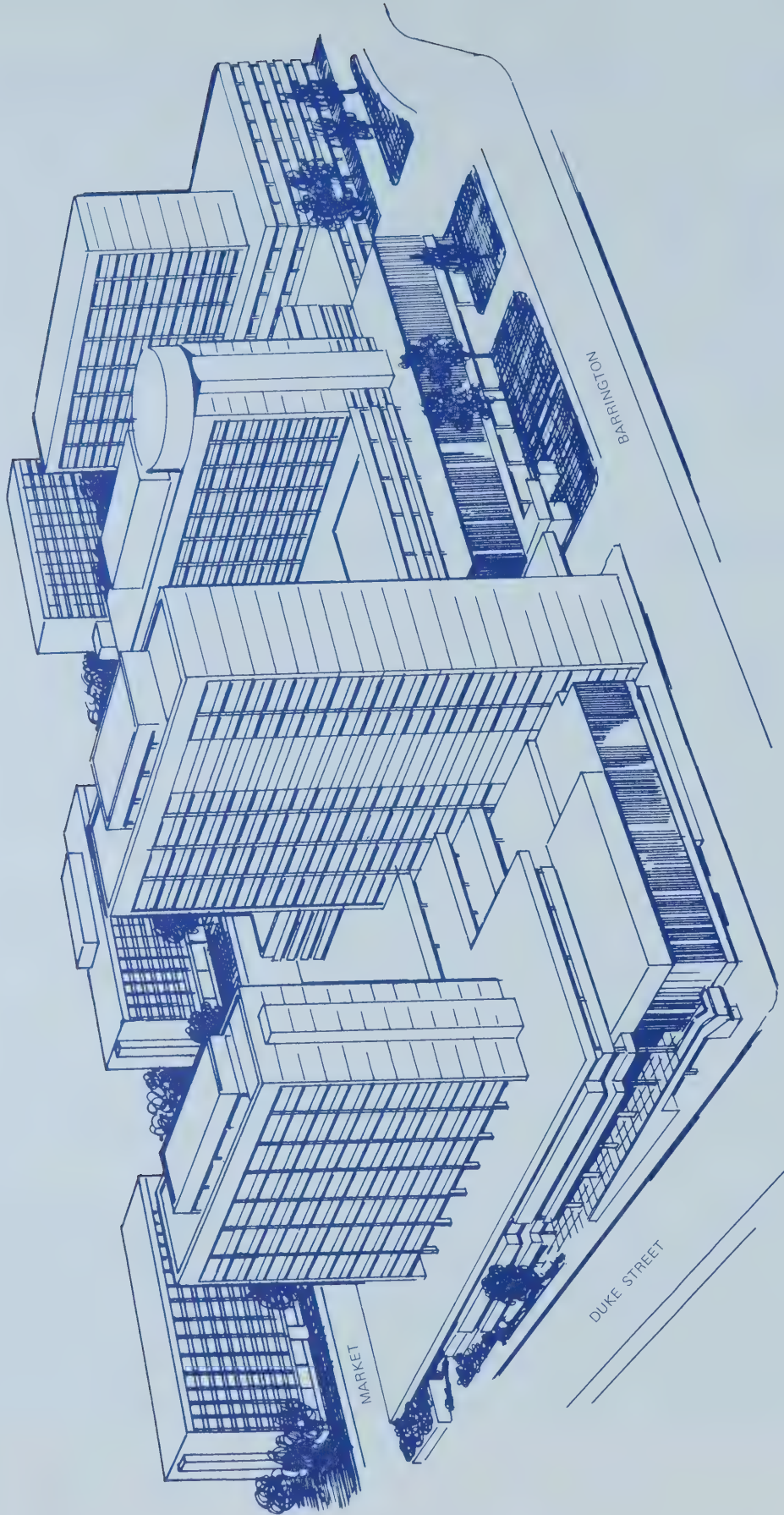
(aa) An Agreement dated as of September 15, 1968, between the Company and Hardman, Bryson & Associates Limited by which the Company grants Hardman, Bryson & Associates Limited, an option to purchase 11,250 common shares of the Company for the subscription price of \$2.50 per share.

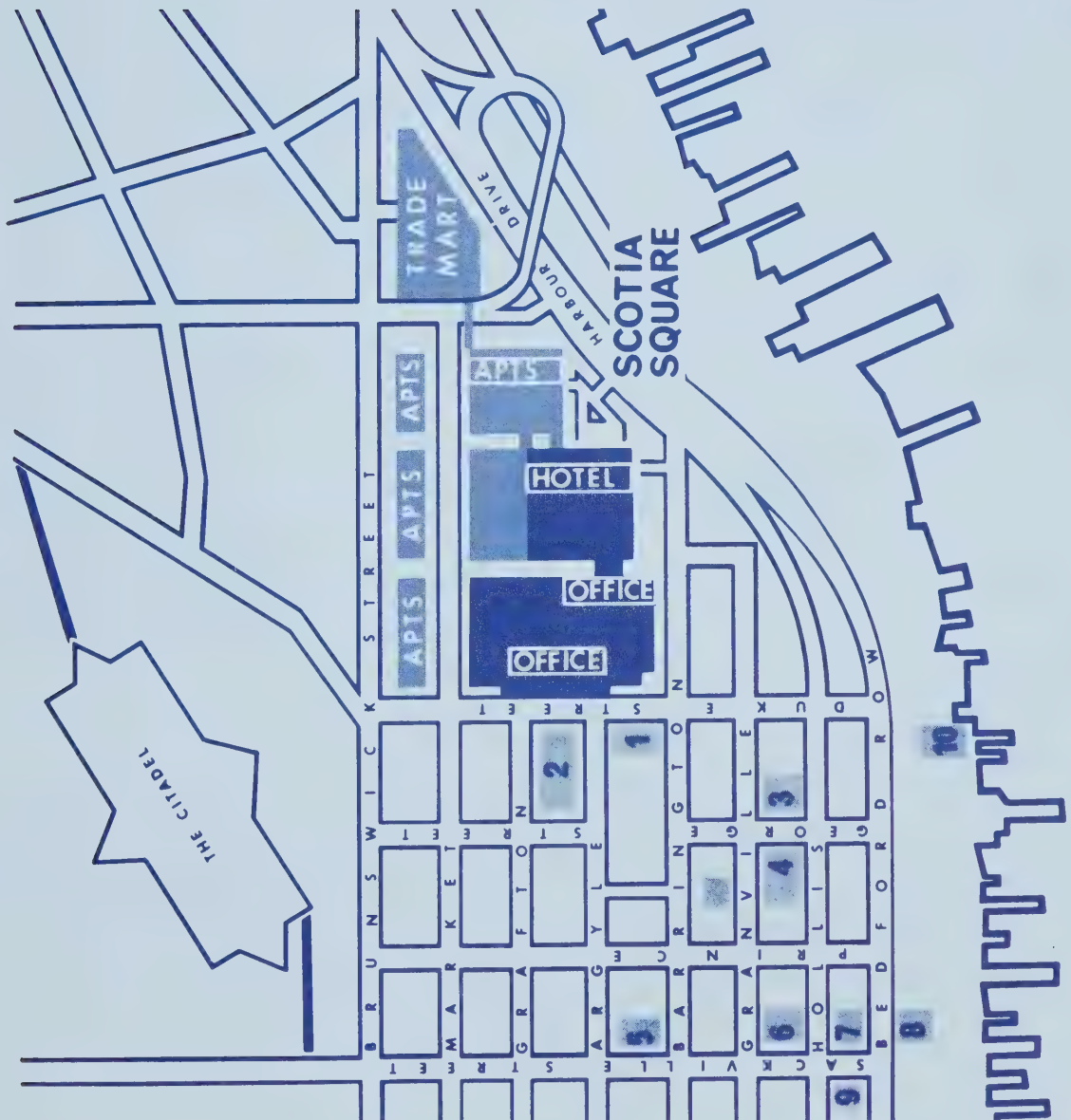
(bb) An Agreement dated October 28, 1968, between the Company and Charles E. MacCulloch by which the Company grants Charles E. MacCulloch an option to purchase 30,000 common shares of the Company for the subscription price of \$2.90 per share.

Copies of the foregoing documents and a copy of the agreements referred to in paragraph (v) in draft form and, upon execution thereof in final form, may be inspected during the ordinary business hours at the Head Office of the Company at 2021 Brunswick Street, Halifax, Nova Scotia, while the securities offered by this prospectus are in primary distribution to the public and for a period of thirty days thereafter.

Prior Sales

On August 14, 1968, \$3,000,000 principal amount of 8% General Mortgage Sinking Fund Bonds, Series A with accompanying bonus of 300,000 common shares were offered at a price to the public of \$1,000 per unit comprising \$1,000 principal amount of the said bonds and 100 common shares and accordingly, the price for the said common shares so offered differs from the price at which the common shares are offered by this prospectus. In addition, since its incorporation 975,010 common shares have been issued and allotted from time to time at the subscription price of \$1.00 per share. All shares have been issued as fully paid and non-assessable and all have been issued for cash, except 400,000 common shares issued in August, 1968 on the conversion, exchange and surrender of the 8% Convertible Subordinated Income Debentures, Series A.





HALIFAX DEVELOPMENTS LIMITED
Balance Sheet and Pro Forma Balance Sheet
as at September 30, 1968

Assets	Balance Sheet	Pro forma Balance Sheet (Note 6)
Current assets:		
Cash	\$ 782	\$ 226,460
Accounts receivable	31,860	31,860
Prepaid expenses	36,353	36,353
	<u>68,995</u>	<u>294,673</u>
Other assets:		
Deposit with trustee (Note 4)	2,000,000	2,000,000
Performance deposit	150,000	150,000
	<u>2,150,000</u>	<u>2,150,000</u>
Fixed assets:		
Land (Note 2)	334,311	334,311
Building and equipment	\$3,259,719	
Less: Accumulated depreciation	<u>34,718</u>	3,225,001
Properties acquired for future development	263,034	263,034
	<u>3,822,346</u>	<u>3,822,346</u>
Construction in progress	2,951,629	2,951,629
	<u>6,773,975</u>	<u>6,773,975</u>
Unamortized bond and debenture discount and expense	655,530	655,530
	<u>\$9,648,500</u>	<u>\$9,874,178</u>
Liabilities		
Current liabilities:		
Bank loan	\$1,344,322	\$ —
Accounts payable and accrued liabilities	802,146	802,146
Long-term debt due within one year	62,110	62,110
	<u>2,208,578</u>	<u>864,256</u>
Holdback on construction contracts	246,280	246,280
Long-term debt (Note 5):		
8 $\frac{1}{4}$ % First Mortgage Loan due 1993	2,245,338	2,245,338
8% General Mortgage Sinking Fund Bonds, Series A due 1993	3,000,000	3,000,000
8% Subordinated Income Debentures, Series C due 1993	600,000	600,000
Other	148,795	148,795
	<u>5,994,133</u>	<u>5,994,133</u>
Less: Amount due within one year included in current liabilities	62,110	62,110
	<u>5,932,023</u>	<u>5,932,023</u>
Shareholders' Equity		
Capital stock (Note 3):		
Authorized—		
4,000,000 Common Shares without nominal or par value		
Issued—		
1,275,010 shares (pro forma 1,875,010 shares)	1,275,010	3,015,010
Deficit	<u>(13,391)</u>	<u>(183,391)</u>
	<u>1,261,619</u>	<u>2,831,619</u>
	<u>\$9,648,500</u>	<u>\$9,874,178</u>
On behalf of the board:		
(Signed) HAROLD P. CONNOR, Director		
(Signed) SIDNEY C. OLAND, Director		

See notes to financial statements.

HALIFAX DEVELOPMENTS LIMITED
Statement of Revenue and Expense
for the Five Months ended September 30, 1968

Revenue:		
Rental income.....		\$ 159,107
Expenses:		
Taxes.....	\$ 44,609	
Light and power.....	17,783	
Cleaning.....	12,421	
Salaries.....	5,741	
Salaries—Administration.....	5,000	
Rent—Land.....	2,350	
Sundry.....	2,362	
Heating.....	1,264	
Insurance.....	817	
	<u>92,347</u>	
Less: expenses recovered from tenants.....	26,934	65,413
Earnings before depreciation and interest on long term debt.....		<u>93,694</u>
Depreciation.....	34,718	
Interest on long term debt.....	<u>72,367</u>	107,085
Net Loss.....		<u>\$ 13,391</u>

Statement of Source and Application of Cash
from date of incorporation of Company on
August 19, 1965 to September 30, 1968

Source of cash:		
From issue of common shares.....		\$1,275,010
From sale of long-term debt, less discount and expenses of issue...		5,338,603
From bank loan.....	\$1,344,322	
Less: Cash on hand at end of period.....	<u>782</u>	1,343,540
From operation of Trade Mart (Stage I) for five months ended September 30, 1968, before depreciation of \$34,718.....		21,327
From creditors, by way of sundry accounts payable, accrued interest etc.....		<u>273,265</u>
		<u>\$8,251,745</u>
Application of cash:		
Land.....	\$ 334,311	
Buildings and equipment.....	3,259,719	
Properties acquired for future development.....	263,034	
Construction in progress.....	<u>2,951,629</u>	
	6,808,693	
Less: Unpaid construction billings and holdbacks.....	<u>775,161</u>	6,033,532
Performance deposit.....		150,000
Deposit with trustee.....		2,000,000
Tenants and others, by way of accounts receivable.....		31,860
Prepaid expenses.....		<u>36,353</u>
		<u>\$8,251,745</u>

See notes to financial statements.

Notes to Financial Statements

NOTE 1—PROJECT EXPENDITURES:

The company is constructing and developing a complex known as Scotia Square comprising wholesale and retail outlets, office and apartment buildings and an hotel to be located on approximately 19 acres of land in the City of Halifax. A construction programme has been prepared by the company dividing the entire project into ten stages extending over a period from October 15, 1966 to September 30, 1973. The cost of the entire project is currently estimated to be approximately \$40,000,000, including land, consultants' fees, preliminary expenses and other costs and including interest on borrowed money during the preliminary and construction periods.

Construction of Stage I of the project, designated the Trade Mart, has been completed. Although occupation began in December 1967, the Trade Mart is considered to have been placed on an operating basis from May 1, 1968. Construction has commenced on Stages II and III of the project, designated the Retail Area and Garage Area and the Duke Street Office Tower, at an estimated cost of \$21,200,000, completion being presently scheduled for December 1969. The company has obtained a commitment from two lending institutions for a first mortgage loan of up to \$12,000,000, to be advanced upon completion of Stages II and III and

fulfilment of certain conditions. The loan will bear interest at the rate of 8% per annum plus additional interest of $3\frac{1}{4}\%$ of the gross annual rental which amount shall not be less than \$60,000 nor more than \$110,000 in any one fiscal year. Pending completion, the company has arranged for a demand construction loan of the U.S. dollar equivalent of \$14,000,000 (Canadian) from a chartered bank, secured by first mortgage on Stages II and III and other security.

NOTE 2—AGREEMENT WITH CITY OF HALIFAX AND A FEDERAL GOVERNMENT AGENCY:

The company has signed an agreement dated August 31, 1966 with the City of Halifax and a Federal Government Agency under which the company will be granted individual leases with purchase options for periods of ninety-nine years on the lands required for each stage as construction commences on the various stages. Pursuant to this agreement, the company leased for a term of ninety-nine years 383,800 square feet of land required for Stages II and III of the project at an annual rental of \$52,095, with an option to purchase at a price of \$1,035,311. An option to purchase Stage I land for \$334,311 was exercised on June 20, 1968.

NOTE 3—CAPITAL STOCK:

The company has granted the following options for the purchase of common shares:

Number of Shares	Exercise Price Per Share	Expiry Date
45,000	\$1.00	December 31, 1972
25,000	1.00	March 31, 1973
11,250	2.50	December 31, 1972
30,000	2.90	October 28, 1973

A further 900,000 common shares have been reserved to accompany the issue of the 8% General Mortgage Sinking Fund Bonds, Series B, and for the conversion of the 8% Subordinated Income Debentures, Series B.

NOTE 4—DEPOSIT WITH TRUSTEE:

Pursuant to the provisions of the Project Fund for the holders of the 8% General Mortgage Sinking Fund Bonds, Series A, the Trustee has placed the \$2,000,000 comprising the Project Fund with a bank on deposit for one year from August 14, 1968 to yield interest at maturity of 7.103%. The Project Fund may be released to the Company only upon fulfilment of the conditions described in Note 3 to "Capitalization" on page 3 of this Prospectus.

NOTE 5—LONG-TERM DEBT:

- The $8\frac{1}{4}\%$ first mortgage loan is repayable in level monthly instalments of \$17,533 principal and interest to July 1, 1993.
- The General Mortgage Sinking Fund Bonds, Series A carry a mandatory sinking fund to retire \$60,000 principal amount of bonds on August 1 in each of the years 1973 to 1978 inclusive, \$75,000 on August 1 in each of the years 1979 to 1984 inclusive and \$180,000 on August 1 in each of the years 1985 to 1992.
- The 8% Subordinated Income Debentures, Series C were issued in August 1968, upon conversion of \$1,000,000 8% Subordinated Income Debentures, Series A into \$600,000 Series C Debentures and 400,000 common shares. Payment of interest is subject to restrictions under the trust deed securing the general mortgage bonds.

NOTE 6—PRO FORMA BALANCE SHEET:

The pro forma balance sheet gives effect as at September 30, 1968 to the following transactions:

- the issue of 600,000 common shares without nominal or par value for \$1,740,000 cash (\$2.90 per share);
- the payment of underwriting commission of \$150,000 and of legal, accounting and other expenses of issue of \$20,000 and the charge of the total amount of \$170,000 thereof to deficit;
- the application of \$1,344,322 in reduction of bank indebtedness and the inclusion of the balance of \$225,678 of the net proceeds of issue in the general funds of the company.

NOTE 7—OTHER FINANCING ARRANGEMENTS:

The following securities have been subscribed for but not issued:

- 8% General Mortgage Sinking Fund Bonds, Series B, maturing December 31, 1994 in the aggregate principal amount of \$1,000,000 and 100,000 common shares without nominal or par value, to be issued on or before December 31, 1969 for a net cash consideration of \$940,000, of which \$100,000 will be the subscription price of the common shares.
- 8% Subordinated Income Debentures, Series B, in the aggregate principal amount of \$2,000,000, to be issued at par for cash on or before February 28, 1969 as to \$1,000,000 and on or before December 31, 1969 as to \$1,000,000.

Auditors' Report

TO THE DIRECTORS OF
HALIFAX DEVELOPMENTS LIMITED:

We have examined the balance sheet of Halifax Developments Limited as at September 30, 1968, the statement of revenue and expense for the five months ended September 30, 1968 and the statement of source and application of cash from the date of incorporation on August 19, 1965 to September 30, 1968. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion the balance sheet and the related statement of revenue and expense present fairly the financial position of the company as at September 30, 1968 and the results of its operations for the five months then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year, and the statement of source and application of cash from August 19, 1965 to September 30, 1968 presents fairly the information shown herein.

We have also examined the pro forma balance sheet of Halifax Developments Limited as at September 30, 1968 and, in our opinion, it presents fairly the financial position of the company as at that date after giving effect to the transactions set forth in Note 6 to the financial statements.

Halifax, Nova Scotia,
December 13, 1968.

(Signed) PRICE WATERHOUSE & Co.
Chartered Accountants.

Purchasers' Statutory Rights of Withdrawal and Rescission

The attention of purchasers in the Province of Alberta, Saskatchewan and Ontario of any of the securities covered by this prospectus which are offered in such Provinces is drawn to certain statutory provisions which permit such purchasers in certain events and subject to certain conditions

- (a) to withdraw from the contract to purchase such security if written or telegraphic notice evidencing the intention of the purchaser not to be bound by such contract is received by the vendor or its agent not later than midnight on the second business day after the prospectus or amended prospectus offering such security is received or is deemed to be received by the purchaser or his agent; and
- (b) to rescind the contract to purchase such security, while still the owner thereof, by commencing an action within 90 days from the date of such contract or the date on which the prospectus or amended prospectus is received or deemed to be received by the purchaser or his agent, whichever is later, if such prospectus and any amended prospectus, as of the date of receipt, contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made.

The complete text of the provisions under which the foregoing rights are conferred is contained in Sections 63 and 64 of The Securities Act, 1967 (Alberta) and in Sections 63 and 64 of The Securities Act, 1966 (Ontario) and in Sections 70 and 71 of The Securities Act, 1967 (Saskatchewan).

Sections 61 and 62 of the Securities Act, 1967 (British Columbia) provide in effect, that where a security is offered to the public in the course of primary distribution,

- (a) a purchaser has a right to rescind a contract for the purchase of a security, while still the owner thereof, if a copy of the past prospectus, together with financial statements and reports and summaries of reports relating to the securities as filed with the British Columbia Securities Commission, was not delivered to him or his agent prior to delivery to either of them of the written confirmation of the sale of the securities. Written notice of intention to commence an action for rescission must be served on the person who contracted to sell within 60 days of the date of delivery of the written confirmation, but no action shall be commenced after the expiration of three months from the date of service of such notice.
- (b) a purchaser has the right to rescind a contract for the purchase of such security, while still the owner thereof, if the prospectus or any amended prospectus offering such security contains an untrue statement of a material fact or omits to state a material fact necessary in order to make any statement therein not misleading in the light of the circumstances in which it was made, but no action to enforce this right can be commenced by a purchaser after the expiration of 90 days from the later of the date of such contract or the date on which such prospectus or amended prospectus is received or is deemed to be received by him or his agent.

Reference is made to the said Act of British Columbia for the complete text of the provisions under which the rights of purchasers in British Columbia are conferred.

Auditors, Transfer Agents and Registrars

The Auditors of the Company are Messrs. Price Waterhouse & Co. Chartered Accountants, 5435 Spring Garden Road, Halifax, Nova Scotia.

Canada Permanent Trust Company at various offices, acts as registrar, transfer agent, branch registrar and co-transfer agents for various of the company's securities including the common shares. The offices of Canada Permanent Trust Company, providing particular services for the company, are located in Halifax, Montreal, Toronto, Winnipeg and Vancouver.

Legal Opinions

Legal matters in connection with the issuance of the common shares offered by this prospectus will be passed upon on our behalf by Messrs. Lafleur & Brown of Montreal, Quebec and on behalf of the Company by Messrs. Stewart, MacKeen & Covert, Halifax, Nova Scotia, on whose opinion as to certain matters our counsel may rely.

Promoters

Each of the directors of the Company who are described under the heading "Management of the Company" appearing on page 10 of this prospectus, took part in the formation and organization of the Company and may accordingly be considered as the founders or promoters of the Company. None of such persons has acquired nor are they to acquire any assets from the Company nor has the Company acquired nor does it propose to acquire any assets from any such person. Such persons have heretofore subscribed for and purchased common shares of the Company for consideration paid in cash except for the common shares issued on conversion of the 8% Subordinated Income Debentures, Series A referred to in paragraph (w) on page 15 hereof.

Statutory Information

The statutory information required under the Companies Act of Nova Scotia is found in Schedule A to this prospectus.

Schedule A

Statutory Information

(under the Companies Act of Nova Scotia)

(a) The chief objects of the Company contained in its Memorandum of Association for the performance of which the Company is formed are:

(1) To acquire by purchase, exchange, lease or otherwise and to hold, own, operate, develop, deal in, sell or otherwise dispose of all kinds of real or personal property or choses in action, or any interest or rights in, to, or connected therewith.

(2) To acquire by purchase, lease, exchange or otherwise real property or any estate or interest therein, any rights over or connected with land and any buildings or structures, and to turn the same to account or to deal with the same in any way that may seem expedient to the directors of the Company, and in particular, but not so as to limit the generality of the foregoing, by constructing, re-constructing, altering, improving, decorating, furnishing, operating, managing and maintaining buildings or works of any kind, and by consolidating, connecting or subdividing properties and by selling, leasing, exchanging, mortgaging, or otherwise disposing of the whole or any portion of such real property and all or any of the buildings, structures or works that are now or may hereafter be erected thereon, and to take security, therefore, as may be deemed necessary.

The names, descriptions and addresses of the signatories to the Memorandum of Association of the Company, and the number of shares subscribed for by them respectively are Joseph Michael Pelrine, 607C Brentwood Park, Halifax, Nova Scotia, Barrister-at-Law, one share; Marilyn Grace Martin, 36 Springvale Avenue, Armdale, Halifax County, Nova Scotia. Secretary, one share; and Leonard Arthur Kitz, 94 Granville Street, Halifax, Nova Scotia, Barrister-at-Law, one share.

(b) No shares in the capital stock of the Company have been issued for property acquired by the Company.

(c) One share in the Company of a class entitled to vote at general meetings of the Company is fixed by the Articles of Association of the Company as a qualification of a Director. The Provisions in the Articles of Association of the Company as to the remuneration of Directors is as follows:

"105. The Directors shall be paid out of the funds of the Company by way of remuneration for their services such sums, if any, as the Company in general meeting may determine and such remuneration shall be divided among them in such proportions and manner as the directors may determine; the directors may also be paid their reasonable travelling and hotel and other expenses incurred in consequence of their attendance at board meetings and otherwise in the execution of their duties as directors."

(d) No minimum amount, in the opinion of the Directors, must be raised by the issue of shares offered by this Prospectus in order to provide the sums or the balance of the sums, required to be provided for the purchase price of any property purchased or to be purchased, any preliminary expenses payable by the Company, any commission payable by the Company to any person in consideration of his agreeing to subscribe for or his procuring or agreeing to procure subscriptions for, any shares in the Company, the repayment of any monies borrowed by the Company in respect of any of the foregoing matters or working capital except to the extent described on page 4 of this prospectus under the heading "Use of Proceeds."

(e) The names, descriptions and addresses of the Directors of the Company are set out on pages 10 and 11 of this prospectus.

(f) No amount is payable to the Company on application and allotment on the shares offered by this prospectus. The Company will receive from the underwriters in respect of the 600,000 shares offered by the prospectus the sum of \$1,740,000 in cash. By prospectus dated July 30, 1968 \$3,000,000 8%

General Mortgage Sinking Fund Bonds, Series A and 300,000 common shares were offered for subscription all of which common shares had been allotted and issued to the underwriters who had paid to the Company \$1.00 in respect of each such share. In addition, since its incorporation 975,010 common shares have been issued and allotted from time to time at the subscription price of \$1.00 per share. All shares have been issued as fully paid and non-assessable and all have been issued for cash, except 400,000 common shares issued in August, 1968 on the conversion, exchange and surrender of the 8% Convertible Subordinated Income Debentures, Series A (herein sometimes called the "8% Subordinated Income Debentures, Series A").

(g) No shares, debentures or bonds of the Company have been issued or agreed to be issued within the two preceding years as fully or partly paid-up otherwise than in cash except

(i) On May 16, 1968 \$934,000 principal amount of 8% Convertible Subordinated Income Debentures, Series A were issued on the redemption and surrender of \$934,000 principal amount of 7¼% Unsecured Debentures; and

(ii) In August, 1968 400,000 fully paid and non assessable common shares and \$600,000 principal amount of 8% Subordinated Income Debentures, Series C were issued on the conversion, redemption and surrender of \$1,000,000 principal amount of 8% Convertible Subordinated Income Debentures, Series A.

(h) and (i) No property has been purchased or acquired by the Company, or is proposed to be purchased or acquired, the purchase price of which is to be paid or defrayed in whole or in part out of the proceeds of the issue offered for subscription by this prospectus or which has been paid, or is to be paid, in whole or in part in shares, debentures or bonds of the Company, or the purchase or acquisition of which has not been completed at the date of issue of this prospectus.

(j) No amount has been paid within the two years preceding the date hereof or is payable as commission by the Company for subscribing or agreeing to subscribe, or procuring or agreeing to procure subscriptions for any shares, or debentures or bonds of this Company other than

(i) A discount of 6% plus a value of \$1.00 per share attributed to the 300,000 common shares accompanying the \$3,000,000 principal amount of 8% General Mortgage Sinking Fund Bonds, Series A and referred to in paragraph (j) on page 13 of this Prospectus;

(ii) A commission of \$10,000 payable to Royal Securities Corporation Limited on the sale of the \$1,000,000 principal amount of 8% General Mortgage Sinking Fund Bonds, Series B of the Company and referred to in paragraph (s) on page 14 of this Prospectus; and

(iii) A commission of \$150,000 on the sale of the 600,000 common shares offered by this Prospectus.

(k) The Company has carried on business for more than one year prior to the date of this Prospectus.

(l) No amount has been paid within the two years preceding the date hereof or is intended to be paid to any promoter.

(m) The dates of and the parties to and the general nature of every material contract entered into by the Company within the two years preceding the date hereof other than contracts entered into in the ordinary course of business carried on by the Company are set out on pages 12, 13, 14, 15 and 16 of this prospectus under the heading "Material Contracts".

(n) The auditors of the Company are Price Waterhouse & Co. Chartered Accountants of 5435 Spring Garden Road, Halifax, Nova Scotia.

(o) The Company does not propose to acquire any property in which any Director has an interest. No sums have been paid or agreed to be paid to any Director, or to any firm in which he is a partner in cash or shares or otherwise to induce to become, or to qualify him as a Director, or otherwise for services rendered by him or by the firm in connection with the promotion or formation of the Company, except for professional fees payable to Kitz, Matheson & Brown (of which Leonard A. Kitz is a partner) on the incorporation and corporate organization of the Company.

(p) The authorized capital of the Company is 4,000,000 common shares without nominal or par value. No class of shares other than common shares is authorized for issue by the Company.

(q) The Company has carried on business since 1965.

(r) A report of the Auditors of the Company with respect to the profits of the Company for the period commencing May 1, 1968 and ending September 30, 1968 is set out on page 21 of this Prospectus. No other accounts with respect to the profits of the Company have been made up. No dividends have been paid in respect of any of the shares of the Company.

Certificates

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of The Securities Act, 1967 (British Columbia) and the regulations thereunder by Part 7 of The Securities Act, 1967 (Alberta) and the regulations thereunder, by Part VIII of The Securities Act, 1967 (Saskatchewan) and the regulations thereunder, under the Securities Act (Quebec) and by Section 13 of the Securities Act (New Brunswick), and there is no further material information applicable other than in the financial statements or other reports where required or exigible.

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of The Securities Act, 1966 (Ontario) and the regulations thereunder.

Dated December 13, 1968

Chief Executive Officer

(Signed) CHAS. E. MACCULLOCH

President

Chief Financial Officer

(Signed) A. R. HARRINGTON

Vice-President—Finance

On behalf of the Board of Directors:

Director

(Signed) A. R. HARRINGTON

(Signed) HAROLD P. CONNOR

(Signed) R. A. JODREY

(Signed) SIDNEY C. OLAND

JOHN HUGH MOWBRAY JONES
by (Signed) C. E. MACCULLOCH
his attorney

JOHN CRERAR MACKEEN
by (Signed) H. RHUDE
his attorney

Director

(Signed) CHAS. E. MACCULLOCH

MALCOLM HUGH DEES MCALPINE
by (Signed) W. B. HARDMAN
his attorney

LEONARD ARTHUR KITZ
by (Signed) C. E. MACCULLOCH
his attorney

FRANK HOYSE SOBEY
by (Signed) W. B. HARDMAN
his attorney

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of The Securities Act, 1967 (British Columbia) and the regulations thereunder, by Part 7 of The Securities Act, 1967 (Alberta) and the regulations thereunder, by Part VIII of The Securities Act, 1967 (Saskatch-

ewan) and the regulations thereunder, under the Securities Act (Quebec) and by Section 13 of the Securities Act (New Brunswick), and there is no further material information applicable other than in the financial statements or reports where required or exigible.

To the best of our knowledge, information and belief, the foregoing constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by Part VII of The Securities Act, 1966 (Ontario) and the regulations thereunder.

Underwriters

ROYAL SECURITIES CORPORATION LIMITED

by (Signed) H. MACMILLAN

RICHARDSON SECURITIES OF CANADA

by (Signed) G. P. NARES

BURNS BROS. AND DENTON LIMITED

by (Signed) ANDRÉ TÉTRAULT

The following includes the names of all individuals having an interest of 5% or more in the capital of Royal Securities Corporation Limited: Alan S. Gordon, F. L. Glasgow, Ivan A. Martin, G. C. Stewart, J. R. Hughes and Harold Braff; and in the capital of Richardson Securities of Canada: George T. Richardson; and in the capital of Burns Bros. and Denton Limited; C. F. W. Burns, L. C. Burns, E. S. Miles, P. B. M. Eby and D. E. Boxer.

13. ANNUAL MEETINGS

The Articles of Association of the Company provide that the annual meeting of the Company may be held at such place as the directors determine. The last annual meeting of the Company was held March 21, 1967.

14. HEAD OFFICE

The head office is located at 2021 Brunswick Street, Halifax, Nova Scotia.

15. TRANSFER AGENT AND REGISTRAR

Canada Permanent Trust Company at its office at 5160 Prince Street in Halifax is the Transfer Agent and Registrar and at its principal offices at Montreal, Toronto, Winnipeg and Vancouver is a Branch Transfer Agent and Registrar for the \$3,000,000 8% General Mortgage Sinking Fund Bonds, Series A and for the Common Shares of the Company.

16. TRANSFER FEE

No fee is charged on stock transfers other than customary governmental stock transfer taxes.

17. AUDITORS

The auditors of the Company are: Price Waterhouse & Co., Chartered Accountants, 5435 Spring Garden Road, Halifax, Nova Scotia.

18. OFFICERS AND DIRECTORS

The names, home addresses, positions held with the Company and principal occupations of the directors and officers of the Company and any changes in those occupations within the last five years are set forth on Pages 10 and 11 of the Prospectus.

CERTIFICATE

Pursuant to a resolution duly passed by its Board of Directors, Halifax Developments Limited hereby applies for listing of the above mentioned securities on The Toronto Stock Exchange, and the undersigned officers thereof hereby certify that the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

HALIFAX DEVELOPMENTS LIMITED



by: "LEONARD ARTHUR KITZ"

by: "W. B. HARDMAN"

CERTIFICATE OF UNDERWRITER/OPTIONEE

To the best of our knowledge, information and belief, all of the statements and representations made in this application and in the documents submitted in support thereof are true and correct.

ROYAL SECURITIES CORPORATION LIMITED

by: "G. C. STEWART"
BURNS BROS. & DENTON LIMITED

by: "DONALD E. BOXER"
RICHARDSON SECURITIES OF CANADA

by: "L. L. BELL"

DISTRIBUTION OF COMMON STOCK AS OF JANUARY 20, 1969

Number	Shares
4 Holders of 1 — 24 share lots	52
20 " " 25 — 99 " "	1,061
261 " " 100 — 199 " "	26,362
191 " " 200 — 299 " "	38,780
83 " " 300 — 399 " "	25,000
24 " " 400 — 499 " "	9,650
101 " " 500 — 999 " "	56,450
94 " " 1000 — up " "	1,717,655
<u>778</u> Shareholders	<u>Total Shares 1,875,010</u>

